

House File 2271 - Introduced

HOUSE FILE 2271
BY ABDUL-SAMAD

A BILL FOR

1 An Act establishing a loan forgiveness program and fund for
2 dentists who practice in certain rural areas of the state.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 261.2, subsection 8, Code Supplement
2 2009, is amended to read as follows:

3 8. Submit by January 15 annually a report to the general
4 assembly which provides, by program, the number of individuals
5 who received loan forgiveness in the previous fiscal year,
6 the amount paid to individuals under sections 261.23,
7 261.73, 261.106, and 261.112, and the institutions from which
8 individuals graduated, and that includes any proposed statutory
9 changes and the commission's findings and recommendations.

10 Sec. 2. NEW SECTION. **261.106 Dentist loan forgiveness**
11 **program and repayment fund.**

12 1. *a.* A dentist loan forgiveness program is established
13 to be administered by the commission. A dentist licensed by
14 the dental board created under chapter 147 is eligible for the
15 program if the dentist agrees to practice in an eligible rural
16 community in this state.

17 *b.* For purposes of this section, "*eligible rural community*"
18 means a rural community which is underserved by dental care
19 providers and which agrees to match state funds provided on at
20 least a dollar-for-dollar basis for the loan repayment of a
21 dentist who practices in the community.

22 2. Each applicant for loan forgiveness shall, in accordance
23 with the rules of the commission, do the following:

24 *a.* Complete and file an application for dentist loan
25 forgiveness. The individual shall be responsible for
26 the prompt submission of any information required by the
27 commission.

28 *b.* File a new application and submit information as
29 required by the commission annually on the basis of which the
30 applicant's eligibility for the renewed loan forgiveness will
31 be evaluated and determined.

32 *c.* Complete and return on a form approved by the commission
33 an affidavit of practice verifying that the applicant is, or
34 agrees to become, a dentist in an eligible rural community.

35 3. *a.* The annual amount of loan forgiveness funded by the

1 state and the eligible rural community shall not exceed the
2 resident tuition rate established for institutions of higher
3 learning governed by the state board of regents for the first
4 year following the dentist's graduation from an accredited
5 college of dentistry, or twenty percent of the dentist's total
6 federally guaranteed Stafford loan amount under the federal
7 family education loan program or the federal direct loan
8 program, including principal and interest, whichever amount is
9 less. A dentist shall be eligible for the loan forgiveness
10 program for not more than five consecutive years.

11 *b.* The dentist, the eligible rural community, and the
12 commission shall annually enter into a contract for loan
13 repayment that stipulates the time period the dentist shall
14 practice in the eligible rural community and that the dentist
15 must repay any funds paid on the dentist's loan by the
16 commission and the community if the dentist fails to practice
17 in the eligible rural community for the required period of
18 time.

19 4. A dentist loan forgiveness repayment fund is created
20 for deposit of moneys appropriated to or received by the
21 commission for use under the program. Notwithstanding section
22 8.33, moneys deposited in the fund shall not revert to any
23 fund of the state at the end of any fiscal year but shall
24 remain in the dentist loan forgiveness repayment fund and be
25 continuously available for loan forgiveness under the program.
26 Notwithstanding section 12C.7, subsection 2, interest or
27 earnings on moneys deposited in the fund shall be credited to
28 the fund.

29 5. The commission shall adopt rules pursuant to chapter 17A
30 to administer this section.

31 EXPLANATION

32 This bill establishes a dentist loan forgiveness program and
33 repayment fund to be administered by the college student aid
34 commission. A licensed dentist is eligible for the program if
35 the dentist agrees to practice in an eligible rural community

1 in this state, which is defined as a rural community which is
2 underserved by dental care providers and which agrees to match
3 state funds provided on at least a dollar-for-dollar basis for
4 the loan repayment of a dentist who practices in the community.

5 The annual amount of loan forgiveness cannot exceed the
6 resident tuition rate established for regents universities
7 for the first year following the dentist's graduation from an
8 accredited college of dentistry, or 20 percent of the dentist's
9 total federally guaranteed Stafford loan amount under the
10 federal family education loan program or the federal direct
11 loan program, including principal and interest, whichever
12 amount is less. A dentist shall be eligible for the loan
13 forgiveness program for not more than five consecutive years.

14 The dentist, the eligible rural community, and the
15 commission must annually enter into a contract stipulating the
16 time period the dentist shall practice in the eligible rural
17 community, and stipulating that the dentist must repay any
18 funds paid on the loan by the commission and the community if
19 the dentist does not practice in the community for the required
20 period of time.

21 The dentist loan forgiveness repayment fund is created for
22 deposit of moneys appropriated to or received by the commission
23 for use under the program. Moneys in the fund do not revert to
24 any fund of the state at the end of any fiscal year but remain
25 in the fund and be continuously available for loan forgiveness
26 under the program. Interest earned on moneys in the fund is
27 credited to the fund.